# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

D.P.U. 08-4 February 12, 2008

Investigation by the Department of Public Utilities on its own Motion into Expanding Low-Income Consumer Protections and Assistance, Including Standards For Arrearage Management Programs, Discount Rate, Service Termination, and Energy Efficiency Programs.

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ORDER OPENING INVESTIGATION

# I. INTRODUCTION

The Massachusetts Department of Public Utilities ("Department") plays a critical role in enforcing many laws and regulations of the Commonwealth and overseeing public policies that have been established to protect and support consumers, particularly low-income consumers, of natural gas and electricity. For example, consumer protection measures include or address:

(1) notice requirements on utility bills and resolution of billing and service disputes;[1]

(2) procedures for the termination of electric and gas utility service for residential consumers;[2]

(3) discount rates for low-income consumers;[3]

(4) prevention of service termination for vulnerable consumers year-round, and for low-income heating consumers during the winter season;[4]

(5) administration of energy efficiency programs targeted to low-income consumers to reduce energy costs associated with inefficient use;

(6) consistent collection and reporting of data on low-income consumers of natural gas and electric companies, including customer counts, arrearage status, service termination, fuel assistance and discount rate eligibility;

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1 220 C.M.R. § 25.00

2 220 C.M.R. § 25.02 (3)

3 G.L. c. 164, § 1F (4) (i); 220 C.M.R. § 14.03 (2A); see also Low-Income Discount Participation Rate, D.T.E. 01-106 (2003)

4 220 C.M.R. § 25.03 (1) (a); 220 C.M.R. § 25.05 (1)

(7) arrearage management programs ("AMP") to assist low-income consumers whose accounts are in arrears;[5] and

(8) review and approval of the rates, tariffs and charges of natural gas and electric companies that provide for recovery of company costs associated with implementation of consumer protection and low-income policies.

The Department's consumer policies and regulations have evolved over several decades. Many were designed when the electric and gas industries differed from today in fundamental ways: industry structure, degree of regulation and oversight, level of control over natural gas and electricity commodity price formation, and the magnitude and variability of the prices faced by residential consumers in the state. Other laws, such as the requirement that each utility provide an AMP, are relatively new, and have been implemented on a pilot or introductory basis, with the intention of reconsidering program design as experience accrues.

Much has changed over the past several years that bears fundamentally upon the design, commitment to, and implementation of the Department's policies and regulations addressing the challenges faced by low-income consumers. More importantly, the prices of fossil fuels (which are unregulated commodities that fluctuate according to prevailing market conditions) have increased dramatically, a trend that is expected to persist in the coming years. This trend in costs of underlying energy commodities directly affects the costs of natural gas or electricity, and in turn affects the affordability of essential energy needs.

Changes in industry structures and dramatic price increases warrant the Department's comprehensive reevaluation and reinforcement of our consumer protection regulations and policies. Such reinforcement is needed to ensure adequate consumer protection for all, but is particularly important to address the fact that recent energy price increases are having a

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5 St, 2005, c. 140, § 17; see also Order Establishing Standards for Arrearage Programs for Low-income Customers, D.T.E. 05-86 (2006)

disproportionate impact on low-income consumers. While energy expenses are at an all-time high, federal Low-Income Home Energy Assistance ("LIHEAP") funds dedicated to helping low-income consumers pay heating expenses have declined. The federal government disbursed $2.57 billion dollars in Fiscal Year ("FY") 2008. The President of the United States released his budget for FY09 on February 4, 2008, including a $2.0 billion appropriation for LIHEAP. Therefore, the FY09 budget represents a $570 million net loss in LIHEAP funding across the nation.[6]

Due to these conditions, consumers of electric and gas companies in the Commonwealth face serious challenges meeting utility costs, staying current with utility bills, and avoiding service termination. Following the 2006-2007 heating season, at least 5,700 low-income consumers had a level of arrears that resulted in service termination. (Source: Meetings with utility companies, Summer 2007.) Utility bill arrearages and service terminations are a significant public policy concern, as they may (1) require consumers to sacrifice other basic needs (for example, health care, food, transportation, or child care) to pay for heating and other energy expenses; (2) leave consumers without essential utility services; and (3) cause consumers to take extraordinary steps (such as moving to new locations in order to renew their utility service). Also, arrearages and service terminations typically contribute to distribution company bad debt, which ultimately is paid through utility rates by all consumers.

The Department initiated its review of these issues during the summer of 2007 through a series of individual meetings with nearly all of the Massachusetts investor-owned gas and electric distribution companies and representatives of low-income advocacy organizations ("Summer 2007 meetings"). Our discussions concentrated on three main areas within the

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6 U.S. Department of Health and Human Services, available at http://www.hhs.gov/budget/09budget/2009BudgetInBrief.pdf

Department's jurisdiction: (1) AMPS;[7] (2) low-income discount rate;[8] and (3) regulations prohibiting service terminations.[9] These discussions provided the Department with a comprehensive overview of the status of consumer protection, including successes and challenges. The Department also learned through these discussions that there is a high level of interest among utilities and low-income advocates to find new opportunities to address the problems associated with energy costs and service terminations for low-income consumers, and to build upon each company's successes.

Consequently, the Department opens this investigation (1) to explore ways to build upon existing consumer protection policies; (2) to increase assistance to low-income consumers in meeting rising home energy costs; and (3) to better integrate the administration and delivery of low-income programs governing arrearage management and financial counseling, fuel assistance, discount rates, and energy efficiency. While there are several important low-income consumer protection measures already in place, we expect that there may be modifications and additional measures that would better address evolving needs, and that the development of a set of "best practices" for low-income programs will greatly improve conditions for low-income consumers in the Commonwealth. In this proceeding, the Department will consider modifications and improvements to AMPs, low-income discount rates, regulations regarding service termination and restoral, energy efficiency programs aimed at low-income consumers, and any other relevant mechanisms for aiding low-income utility consumers.

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7 St. 2005, c. 140, § 17; see also Order Establishing Standards For Arrearage Programs For Low-income Consumers, D.T.E. 05-86 (2006).

8 G.L. c. 164, § 1F (4) (i); 220 C.M.R. § 14.03 (2A); see also Low-Income Discount Participation Rate, D.T.E. 01-106-C (2003).

9 220 C.M.R. § 25.03 (1) (a).

In Section II, we discuss laws, policies, practices, and programs relative to low-income consumers, and suggest possible amendments. Section III describes how interested parties may participate and provide comments in this investigation. Appendix A provides specific questions and data requests for companies and interested participants.

## II. PURPOSE AND SCOPE OF INVESTIGATION

### A. Arrearage Management Programs

St. 2005, c. 140, § 17 ("Chapter 140" or "the Act") directed each gas and electric utility company organized pursuant to G.L. c. 164 to establish an AMP to serve eligible low-income consumers. Eligibility for an AMP is based upon a customer's "receipt of any means tested public benefit" or eligibility for LIHEAP. The current threshold for eligibility for LIHEAP is 200 percent of the Federal poverty level. Each company's AMP must offer eligible low-income consumers affordable payment plans and must provide credits toward a customer's accumulated arrearage when the customer complies with the terms of the program. The payment plan must offer the customer the opportunity to pay off his or her arrearage over a period of not less than four months, including an initial down payment of not more than 25 percent of the balance of the arrearage.

Chapter 140 required each electric and gas company to file an AMP with the Department by December 30, 2005, and annually thereafter, for the Department's review for compliance with the Act. The Act required that the filing include operational details of the AMPs, including a plan to coordinate the AMP with low-income weatherization and fuel assistance agencies and services. Chapter 140 also set AMP standards and authorized the Department to develop additional standards for AMPs of jurisdictional electric and gas companies. The Act directed the Department to conduct an annual review of the AMPs and authorizes the Department to order revisions or modifications to an AMP at any time.
St. 2005, c. 140, § 17 (a).

On February 28, 2006, the Department issued an Order adopting the broad standards set forth in Chapter 140. Order Establishing Standards for Arrearage Programs for Low-income Customers, D.T.E. 05-86, at 14. The Order also directed companies to offer eligible consumers an AMP regardless of whether the account is a heating or non-heating account. Id. at 14-15. Finally, the Order notes that the initial adoption of broad standards provides the companies, low-income advocates, and the Department an opportunity to evaluate the effectiveness of different program designs, and would allow sufficient room for adjustment in the Department's annual review of AMPs.

The Department has reviewed the initial implementation of company AMPs through discussions with electric and gas utilities, low-income advocates and Community Action Program ("CAP") agencies during the Summer 2007 meetings. It appears that five of the companies enrolled fewer than one percent of their low-income consumers in the AMP; one company enrolled two percent of its low-income consumers; and one company enrolled five percent.[10] Of all companies, the Berkshire Gas Company ("Berkshire") achieved the highest enrollment with 15 percent of its low-income consumers enrolled in the AMP.[11] Notably, Berkshire's AMP is unique in that the company automatically places low-income consumers with an arrearage in the AMP, unless the customer opts out.

It is our goal and expectation that higher enrollment and more successful participation in AMPs will increase low-income consumers' ability to pay their bills, and could reduce utility arrearages and the number of service terminations. Reduced service terminations could,

[10] Information gathered through Summer 2007 meetings.

[11] Information gathered through Summer 2007 meetings.

in turn, lower the utility company's costs associated with service termination and restoral to consumers.[12]

We note that while the Act directs companies to make AMPs available to low-income consumers with an arrearage, most companies have initially taken a more measured approach, by enrolling only those consumers selected by the CAP agencies as good candidates for successful completion of the AMP. This approach has allowed the companies and the CAP agencies a period of careful AMP design and review, leading to the identification of several benefits of CAP-guided customer enrollment. Given the significant potential benefits to the low-income community of careful CAP-guided enrollment for AMPs, the Department believes that each company should continue to expand its implementation of this form of enrollment and design in coordination with the CAP agencies, in order to maintain a platform for the evolution of innovative low-income programs within their service territories, to seek greater cost-effectiveness in low-income program implementation, and to increase over time the likelihood of success in program implementation. However, we note that this form of AMP, if it is the only component of AMP implementation, has the potential to significantly under-enroll AMP-eligible consumers. The Department is concerned that if AMP enrollment continues to be limited in this way it may run counter to the intent of the Act, which requires in effect, that a company offer any eligible low-income customer with an arrearage the opportunity to participate in an AMP.

As outlined below, the Department is inquiring whether the CAP-administered AMP should be supplemented by a basic, company-administered AMP. We propose this and request that companies and other commenters address this proposal.

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[12] Utilities may want to consider the cost savings associated with fewer service terminations in their analyses of the costs of AMPs. In other words, these cost savings might more than offset any additional costs associated with modified or expanded AMPs.

The Department seeks comment on the best practices in administering AMPs, and how current program designs may be modified to increase enrollment and success rates. Parties are encouraged to comment on the following options that emerged from our review of AMP implementation.

(1) Establish a "basic AMP" that includes automatic enrollment for all income-qualified consumers when a certain level of arrearage is reached.

(2) Initiate, at the time of enrollment, automatic "supplemental actions" including: (a) customer mailings with information regarding fuel assistance programs; (b) automatic discount rate verification and enrollment; (c) scheduling of energy efficiency audits; (d) notification to fuel assistance programs of customer status; and (e) the transfer of customer data to CAP agencies for consideration for enrollment in an "advanced AMP".

(3) Further develop and expand CAP-administered "advanced AMPs" to work with identified low-income consumers – such as those consumers more likely to successfully complete an AMP, or who would benefit from overall financial counseling and debt management services.

(4) Increase the eligibility threshold to include those consumers that are above 200 percent of the federal poverty level but who struggle to pay their bills.

(5) Standardize for all companies some aspects of the AMP based on industry best practices. For example, make uniform the down payment requirements, the term of the payment period, the amount of arrears forgiven, or the frequency that credits are applied to a customer's account.

B. Low-Income Discount Rate

Massachusetts General Laws establish a discount rate for low-income electricity consumers. G.L. c. 164, § 1F. Eligibility for the electricity discount rate is based upon a customer's "receipt of any means tested public benefit" or eligibility for LIHEAP. The current threshold for eligibility for LIHEAP is 200 percent of the Federal poverty level. For natural gas consumers, the discount rate and eligibility is established in 220 C.M.R. § 14.03(2A). The current threshold for the gas low-income discount rate is also 200 percent of the Federal poverty level.

The discount for low-income consumers is administered by the utility companies by reducing the distribution portion of a consumer's bill. Despite the increases in commodity prices, the discount rate for most electric and gas companies has not been modified in many years. As a result, it has become a much less effective means for reducing low-income consumers' bills. The amount of the discount rate was set in individual rate cases for each of the electric and gas utilities. Consequently, it is not consistent among utilities, currently ranging from roughly twelve to twenty-one percent of total electric or gas bills.

In August 2003, the Department established an automatic enrollment program for the purpose of increasing participation in the low-income discount rate. Low-Income Discount Rate Participation Rate, D.T.E. 01-106-A (2004). The Department directed gas and electric companies to exchange information with the Executive Office of Health and Human Services on a quarterly basis so that every recipient of a means-tested public benefit, who is also the "customer of record," would be automatically enrolled in the discount rate without the usual paper application. The automatic enrollment program established in D.T.E. 01-106, also called "the computer matching program," has resulted in the enrollment of an estimated 90,000 additional low-income consumers. (Source: Quarterly Reports provided by gas and electric companies). The Department continually monitors enrollment in the discount rate resulting from this initiative.

Nevertheless, it appears that customer enrollment in the low-income discount rate could be increased. Most electric and gas companies cannot accurately estimate what portion of eligible consumers are enrolled in the program because they do not have accurate estimates of the total number of eligible consumers in their service territories. Anecdotal estimates of participation of low-income consumers in the discount rate program suggest that in some service territories participation may be as low as a third of total eligible consumers. In addition, there may be consumers whose incomes are above 200 percent of the federal poverty level, but who struggle to pay energy costs and would benefit from receiving the discount rate.

The Department seeks comment on whether and how the eligibility threshold for the electric and gas low-income rates should be increased. Specifically, the Department seeks comment on whether a statutory amendment is necessary to expand income-eligibility for the electric discount because the discount is established in statute.[13] Furthermore, we seek comment on whether the discount should be updated to consider the full impact of current distribution and commodity costs. In addition, we seek comment on opportunities for enrolling a higher percentage of eligible consumers on the low-income discount rate, and whether and how the Department should expand the number of consumers who qualify as income eligible.

C. Termination of Service Regulations

The Department's regulations offer protection to consumers with a financial hardship under certain circumstances. 220 C.M.R. § 25.01 defines "financial hardship" as the inability to pay an overdue bill and such customer meets the income eligibility requirements for LIHEAP.[14] Regulations prohibit terminating or refusing to restore service if a customer is unable to pay because of a financial hardship and one of the following conditions is present: someone in the home is seriously ill; a child under twelve months of age lives in the home and

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[13] G.L. c. 164, § 1F; The Department may amend income eligibility for gas consumers through a rulemaking because the gas discount rate is established in regulation.

[14] Pursuant to Department regulations, the customer need only meet income-eligibility requirements for LIHEAP, and need not actually receive LIHEAP.

service has not been terminated prior to the birth of the child; or the service provides heat and the termination will occur during the heating season which runs from November 15 through March 15. 220 C.M.R. § 25.03 (1)(a).[15] The regulations also prohibit gas and electric companies from terminating service to households where it is certified that all residents are 65 years or older, regardless of income, without written permission from the Department.[16] In recent history, the Department has not granted such written permission.

Although the prohibition on service termination during a financial hardship or the heating season is a critical protection, it results in the accumulation of large arrearages, especially during the heating season. As a result, at the end of the moratorium on service terminations on March 15, consumers must pay large arrearages or face the threat of service termination. Extending the winter protection period beyond March 15 helps for a period of time, but may have the unintended consequence of exacerbating the problem by allowing consumers to delay making payment arrangements while the arrearage continues growing.

The Department's regulations do not address the rights of consumers whose service has been terminated. "Customer of record" in the Department's regulations is defined as "any user of gas, electricity or water billed on a residential rate as filed with the Department." 220 C.M.R. § 25.01(2). Historically, the Department has interpreted this definition as excluding persons whose service has been terminated. Although the Department assists many consumers in obtaining restored service, Department regulations do not establish a procedure for doing so.

Our discussions with companies and low-income advocates indicate that potential confusion or misapplication exists regarding the Department's service termination regulations.

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15 In recent years, many companies voluntarily extended the winter protection period to mid-April.

16 220 C.M.R. § 25.05.

The Department also has received complaints from consumers about company administration of service terminations. Finally, the Department does not have regulations governing the procedures for restoring service to consumers whose electric or gas service has been terminated.

The Department seeks comments on whether and how we should clarify, modify or expand our service termination regulations. We also seek comment on whether the Department should promulgate regulations addressing the right to a restoral of service for all consumers.

D. Energy Efficiency

Energy efficiency programs are an important component of the set of policies addressing the needs of low-income consumers. Reducing low-income consumers' gas and electricity consumption through energy efficiency will (a) lower their electric and gas bills; (b) reduce the cost of the low-income discount rate borne by all consumers; (c) make it easier for participating consumers to maintain bill payments; (d) help reduce participating consumers' arrearages; and (e) help reduce company bad debt. Cost-effective low-income energy efficiency programs also offer a host of other energy and societal benefits, all of which can be achieved at less than the cost of electric and gas supply.

Massachusetts energy efficiency program administrators[17] currently offer comprehensive efficiency programs for low-income gas and electric consumers. These programs are designed and delivered in conjunction with Massachusetts low-income energy advocates, and are frequently coordinated with federal weatherization assistance programs.[18] Expansion of these programs would offer further relief to low-income consumers' energy burden.

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[17] By "efficiency program administrators," we are referring to the Massachusetts electric distribution companies, gas distribution companies and municipal aggregators that implement the energy efficiency programs funded by the system benefits charge.

[18] The Weatherization Assistance Program ("WAP"); The Heating Emergency Assistance Retrofit Task Weatherization Assistance Program ("HEARTWAP").

Electric and gas consumers whose income is at or below 60 percent of the median state income are eligible for the ratepayer funded low-income energy efficiency programs. This eligibility threshold is typically higher than AMPs and the low-income discount rate eligibility requirement, which is 200 percent of the Federal poverty level. This creates a subset of low-income consumers – sometimes referred to as "gap" consumers – that are eligible for the low-income energy efficiency programs but may be ineligible for other public benefits. It is the Department's understanding that these gap consumers are particularly difficult to identify because they are not enrolled in state programs, and thus are typically under-served.

To have the greatest impact, efficiency programs should be offered to low-income consumers as early as possible – ideally before the customer has an arrearage, and certainly once an arrearage is identified. Energy efficiency program administrators should be actively identifying low-income consumers in order to serve as many eligible consumers as possible. Furthermore, an electric or gas company should automatically target those consumers having difficulty paying bills for participation in energy efficiency programs.

The Department seeks comments on whether additional measures may be taken to increase enrollment and participation in low-income energy efficiency programs, and to better use the efficiency programs as one of the tools to reduce arrearages and prevent service terminations. Low-income efficiency programs could also be marketed more broadly to attempt to reach as many eligible consumers as possible, and to provide comprehensive customer support regarding enrollment in the low-income discount rate, utility payment plans and financial counseling provided by the utility or the corresponding CAP agency.

The Department seeks comment on whether opportunities exist to better integrate the energy efficiency programs and weatherization programs with other benefits. If so, the Department asks how might the better integration of programs reduce customer arrearages and service terminations.

E. Program Integration and Tracking

The Department seeks to build upon the existing successes in companies' programs, and to identify a framework for further integration of the low-income and consumer protection measures. Based upon our Summer 2007 meetings and our concurrent review of company programs, we believe an opportunity exists to identify the best program features from each company, to capture administrative efficiencies through program integration and coordination, to facilitate establishing and improving "basic AMPs" and "advanced AMPs," to reduce the energy costs of our most vulnerable consumers through more targeted energy efficiency investment, and to increase the cost effectiveness of low-income programs by increasing program success. The Department seeks comment on potential changes in company program designs that may help achieve these goals.

In this investigation, we seek to identify a framework for carrying out integration that is comprehensive in reach (to low-income and other vulnerable consumers) and scope (in terms of the range of customer protection measures), but that retains flexibility for the varying circumstances across industries and service territories. We recognize that many concepts identified in this NOI suggest a level of integration of program administration, consumer tracking and the use of customer billing data that may not currently exist at the companies. Therefore, the Department seeks comment on the technical challenges to expanding and integrating low-income programs and, conversely, what opportunities exist for the development of information technology systems facilitating such integration.

III. PUBLIC PARTICIPATION

The Department seeks written comments on the low-income consumer protection measures discussed in this notice. Attachment A includes a list of specific questions to help parties focus their comments. Written comments must be submitted by March 28, 2008. Comments should not exceed twenty pages in length, excluding pages responding to the questions in Appendix A. One original and five copies of all comments should be filed with Mary Cottrell, Secretary, Department of Public Utilities, One South Station - 2nd Floor, Boston, Massachusetts 02110. All written comments also should be submitted to the Department in electronic format.[19] We invite all interested persons to attend the public hearings at 10:00 AM on Tuesday, April 8, 2008 and Wednesday, April 9, 2008 in the Department's offices at One South Station, 2nd Floor, Boston.

## IV. ORDER

Accordingly, the Department

VOTES: To open an investigation into increasing protections for low-income consumers by various means, including amending standards for arrearage management programs, expanding discount rates and eligibility, amending service termination regulations, and promoting increased participation in energy efficiency programs; and it is

ORDERED: That within seven days of the date of this Order, the Secretary of the Department shall publish notice of this investigation in a statewide newspaper of daily circulation within the Commonwealth; and it is

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19 All documents also should be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to dpu.efiling@state.ma.us and the hearing officer, kate.mckeever@state.ma.us; or (2) on a 3.5" disk or CD-ROM. The text of the e-mail, disk label, or CD-ROM must specify: (1) the docket number of the proceeding (D.P.U. 08-4); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title and telephone number of a person to contact in the event of questions about the filing. Text responses should be created in either Corel WordPerfect, Microsoft Word, or Adobe Acrobat (version or higher). Data or spreadsheet responses should be compatible with Microsoft Excel (version 2000). The Department strongly encourages filers to avoid submitting scanned files, but will accept them for posting when an alternative version does not exist in electronic format. All documents submitted in electronic format will be posted on the Department's website: http://www.mass.gov/dpu.

FURTHER ORDERED: That the Secretary of the Department shall serve a copy of this Order by mail on the service list for D.T.E. 05-86 and all persons that have asked to be placed on a general notification list pursuant to 220 C.M.R. § 2.09.

By Order of the Department,

/s/
Paul J. Hibbard, Chairman

/s/
W. Robert Keating, Commissioner

/s/
Tim Woolf, Commissioner

cc: Service List

## Appendix A – Questions

**Arrearage Management Programs**

1. Should companies offer two tiers of arrearage management programs; where one tier would include automatic enrollment with automated support services from the company (i.e., basic AMP), and the other tier would include enrollment and more comprehensive services provided by CAP agencies (i.e., advanced AMP)?
2. If companies offer some sort of basic AMP, how should it be designed? What services should consumers be automatically enrolled in? What should the role of companies be? How should such a program be coordinated with an advanced AMP?
3. If companies offer some sort of advanced AMP, how should it be designed? What services should the CAP agencies provide? How should such a program be coordinated with a basic AMP?
4. Should the eligibility threshold for participating in the AMPs be increased? If so, what should the threshold be?
5. What terms and conditions (e.g., initial payment requirements, term of the payment period, amount of arrears forgiven, frequency of applying credits to bills) should the AMPs offer consumers in order to maximize success rates? Should the terms and conditions that are identified as best practices be standardized (i.e., required) across all companies?
6. What role should financial counseling play in arrearage management programs? Should such counseling be provided by the electric and gas companies, by the CAP agencies, or both? What should be included in such financial counseling activities?
7. Do electric and gas companies currently have the proper financial incentives to both minimize arrearages and minimize customer service terminations?

8. Should the Department establish performance standards, with associated penalties and/or rewards, to encourage greater success with arrearage management programs? If so, what would the standards be, and how would the penalties and/or rewards be structured and applied?

**Low-Income Discount Rates**

9. Should the eligibility threshold for the electric and gas low-income discount rates be increased? If so, what should the threshold be? Does existing statute give the Department and the companies sufficient flexibility to increase the electric low-income eligibility threshold?

10. Should the amount of discount provided to low-income electric and gas consumers be increased? If so, to what level? Should the discounts offer relief from a portion of the commodity cost as well as the delivery cost? If so, how?

11. What can be done to increase the enrollment of consumers onto the low-income discount rate? If the eligibility threshold for the low-income discount rate is increased, what should be done to enroll the additional consumers?

12. Should consumers that are identified as eligible for the discount rate be offered the discount retroactively? If so, for how long a period? Should this practice be applied only in those instances where a customer is in arrears?

**Service Termination Regulations**

13. Are there additional actions that can be taken to reduce electric and gas utility service terminations – beyond those discussed elsewhere in this investigation? If so, what are those actions?

14. Does the Department need to clarify or expand our current regulations, or to take steps to better enforce our current regulations? If so, what should be done?

15. Should the Department promulgate regulations that address the rights of consumers whose electricity or gas service has been terminated? What protection measures should those regulations address? Should those regulations cover all consumers, or only low-income consumers?

16. Should consumers that have had their service terminated be allowed to participate in arrearage management plans, or similar plans to assist in paying down arrears and getting service reconnected?

17. Are the companies properly using collection agencies to collect arrears from disconnected consumers?

18. Should the Department adopt policies to address problems arising between landlords and tenants, where tenants are at risk of losing electricity or gas service if their landlord is in arrears? If so, what should be done?

19. Should electric and gas companies be required to include sufficient information in their staff training manuals with regard to customer communications and treatment regarding service terminations, to ensure that consumers are treated properly and consistently? If so, what should such training manuals include?

**Energy Efficiency Programs**

20. Should the eligibility threshold for the electric and gas low-income energy efficiency programs be increased? If so, what should the threshold be?

21. What can be done to increase the enrollment of consumers in the low-income efficiency programs? What can be done to identify and enroll the gap consumers?

22. Are there opportunities to better integrate the electric and gas efficiency programs? Are there opportunities to better integrate the electric and gas efficiency programs with the weatherization programs? If so, what are they?

23. Are there opportunities to modify or improve the roles played by the CAP agencies in designing and implementing the low-income efficiency programs?

24. Are there opportunities to expand the efficiency measures and services currently offered by the low-income efficiency programs?

25. Are there opportunities to offer demand response programs through the low-income efficiency programs, as a way of further reducing these consumers' energy bills?

**Program Integration and Tracking**

26. Should eligibility requirements be consistent across all low-income protection measures - AMPS, discount rates, energy efficiency programs – in order to assist with customer enrollment and to maximize the potential benefits across the different measures?

27. Should electric and gas companies develop cross-enrollment practices to ensure that low-income consumers enrolled in one program will be enrolled in all the others?

28. Are there opportunities to better coordinate and improve the efficiency of the administration of the low-income protection measures, including the collection and tracking of customer data?

29. Are there opportunities for development of company information technology systems to accommodate more automated identification of arrearages, AMP enrollment, discount rate enrollment, efficiency program enrollment, as well as other customer protection activities?

**Cost Recovery**

30. Please discuss the recovery costs associated with the modifications to the low-income consumer protection measures. Specifically, discuss the potential impact that these initiatives could have on all utility ratepayers. Will these initiatives help to offset such costs by reducing arrears, bad debt, and service terminations and reconnections?